

**(COMPANY NUMBER: 00956958)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 1998**

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**PARK PLACE MANAGEMENT LIMITED**

**REPORT OF THE DIRECTORS**

The directors submit their report and financial statements for the year ended 30th June 1998.

**REVIEW OF THE BUSINESS**

The company's principal activity during the year was the management of the property known as 19/20 Hyde Park Place, London W2 2LP. The directors do not foresee any changes in this activity.

The major expenditure incurred in the year was £4,400 for the purchase and installation of new water tanks on the roof of the property.

**RESULTS**

The surplus for the year, after taxation, amounted to £10,039 (1997: £9,661). £10,000 has been transferred to the Dilapidation Reserve to ensure that funds are available for future major works.

**SHARE CAPITAL**

During the year, one ordinary £1 share was issued at par.

**DIRECTORS**

i) **Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ii) **Interest**

The directors during the year and their beneficial interests in the share capital of the company were as follows:

**Ordinary shares of £1 each  
At 1st July 1997 and 30th June 1998**

A C Davis	-	1
Miss Corrinne Lewis	1	1
J Rubin (resigned 11th December 1997)	1	-
Dr S Rusby (resigned 11th December 1997)	1	-
P Waite (appointed 11th December 1997)	-	1
J D Middleton (appointed 31st March 1998)	-	1

Mr A C Davis is a majority shareholder in PFD Garages Limited, which held 2 ordinary shares in Park Place Management Limited at 30th June 1998.

**PARK PLACE MANAGEMENT LIMITED**

**REPORT OF THE DIRECTORS**

**(Continued)**

**TAX STATUS**

The company receives income from its members only. Consequently, a state of mutuality exists which results in this income being exempt from Corporation tax.

**AUDITORS**

A resolution to re-appoint Messrs Knox Cropper as auditors will be put to the members at the Annual General Meeting, in accordance with section 384 of the Companies Act 1985.

**BY ORDER OF THE BOARD**

*A. C. Davis*

**A C DAVIS  
SECRETARY**

**REPORT OF THE AUDITORS**  
**TO THE MEMBERS OF**  
**PARK PLACE MANAGEMENT LIMITED**

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th June 1998 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

24 Petworth Road  
Haslemere, Surrey

*2nd March 1999*

*Knox Cropper*

Chartered Accountants  
and Registered Auditors

**PARK PLACE MANAGEMENT LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30TH JUNE 1998**

		1998		1997	
	<u>Notes</u>	£	£	£	£
TURNOVER	2		52,626		52,557
Operating costs		38,027		38,079	
Administrative costs		4,995		4,889	
		<hr/>	43,022	<hr/>	42,968
OPERATING SURPLUS	3		9,604		9,589
Interest receivable			551		93
			<hr/>		<hr/>
SURPLUS ON ORDINARY ACTIVITIES			10,155		9,682
TAXATION	5		116		21
			<hr/>		<hr/>
SURPLUS AFTER TAXATION			10,039		9,661
Transfer to Dilapidations Reserve			(10,000)		-
			<hr/>		<hr/>
SURPLUS FOR THE YEAR	9		£ 39		£ 9,661
			<hr/>		<hr/>

All recognised gains and losses are included in the Income and Expenditure Account and no separate Statement of Total Recognised Gains and Losses has therefore been prepared.

**PARK PLACE MANAGEMENT LIMITED****BALANCE SHEET AT 30TH JUNE 1998**

		1998	1997
	<u>Notes</u>	£	£
EMPLOYMENT OF CAPITAL			
CURRENT ASSETS			
Debtors	6	1,021	3,466
Bank and cash balances		23,720	13,964
		<hr/>	<hr/>
		24,741	17,430
CREDITORS:			
Amounts falling due within one year	7	5,959	8,688
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 18,782	£ 8,742
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	8	23	22
Reserves	9	18,759	8,720
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS	11	£ 18,782	£ 8,742
		<hr/>	<hr/>

The financial statements were approved by the board on ..... 14<sup>th</sup> December 1998 .....

A C Davis ..... DIRECTOR  
A C DAVIS

**PARK PLACE MANAGEMENT LIMITED****NOTES FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30TH JUNE 1998****1. ACCOUNTING POLICIES**

The more important accounting policies adopted by the company, which are consistent with those of the previous year are as follows:

- (a) The financial statements of the company have been prepared on the historical cost basis and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.
- (b) the company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.
- (c) Expenses are stated in the accounts inclusive of VAT.
- (d) Service charges are collected as necessary to pay for expenditure as budgeted and agreed by the members. Any deficit will be covered in due course by additional service charges being levied.

**2. TURNOVER**

Turnover represents the invoiced amounts of charges for services provided during the year to the tenants of flats at 19 and 20 Hyde Park Place, London W2.

<b>3. OPERATING SURPLUS</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>

This is stated after charging:

Auditors' remuneration	£ 1,351	£ 1,292
	<hr/>	<hr/>

**4. STAFF COSTS**

Wages	15,354	14,491
Social Security costs	1,450	1,398
	<hr/>	<hr/>
	£ 16,804	£ 15,889
	<hr/>	<hr/>

	<b>Number</b>	<b>Number</b>
The average monthly number of employees during the year excluding directors was	1	1
	<hr/>	<hr/>

No director received any emoluments during the year.

**PARK PLACE MANAGEMENT LIMITED****NOTES FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30TH JUNE 1998****(Continued)**

5.	TAXATION	1998 £	1997 £
	Corporation tax at 21 % (1997 : 23 %)	£ 116	£ 21
		<hr/>	<hr/>
6.	DEBTORS		
	Service charges	777	3,222
	Prepayments	244	244
		<hr/>	<hr/>
		£ 1,021	£ 3,466
		<hr/>	<hr/>
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Corporation tax	116	21
	Other taxes and Social Security costs	1,409	2,094
	Other creditors	2,735	4,862
	Accruals	1,699	1,711
		<hr/>	<hr/>
		£ 5,959	£ 8,688
		<hr/>	<hr/>
8.	SHARE CAPITAL		
		Authorised	Allotted, called up and fully paid
		1998 £	1997 £
		1998 £	1997 £
	Ordinary shares of £1 each	£ 100	£ 100
		<hr/>	<hr/>



**PARK PLACE MANAGEMENT LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 1998**  
**(Continued)**

10. RELATED PARTY TRANSACTIONS

Mr A C Davis has a controlling interest in a company to which a sum of £2,000 was provided for management carried out during the year.

At 30th June 1998 £2,000 was owed to that company and that figure is shown in Other creditors in note 7.

As described in the Report of the Directors on page 1, Mr Davis is a majority shareholder in a company which holds 4 ordinary shares in Park Place Management Limited. That company, PFD Garages Limited, leases four of the flats at 19/20 Hyde Park Place and it pays service charges calculated in the same way as the other lessees. PFD Garages Limited was also paid £1,862 for repair work carried out at the premises on normal commercial terms.

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Surplus for the year	39	9,661
Share capital issued	1	-
Increase in Dilapidations Reserve	10,000	-
	<hr/>	<hr/>
Net addition to Shareholders' Funds	10,040	9,661
Opening Shareholders' Funds	8,742	(919)
	<hr/>	<hr/>
Closing Shareholders' Funds	£ 18,782	£ 8,742
	<hr/>	<hr/>